



United States Attorney's Office
District of Columbia

Ronald C. Machen Jr.
United States Attorney

PRESS RELEASE

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South Carolina Man Pleads Guilty to Defrauding Insurance Company

***—Insurance Agent Obtained \$160,000 by Claiming
a Fictitious D.C. Hospital Association Wanted to Buy Life Insurance—***

WASHINGTON - Weldon D. Waite, 68, of Columbia, South Carolina, pleaded guilty to two counts of Insurance Fraud today before the Honorable Ricardo M. Urbina, United States District Judge. For each count, the defendant faces a maximum punishment of ten years of imprisonment, a fine, and up to three years of supervised release. Under the U.S. Sentencing Guidelines, the defendant faces a likely sentence of between 15 and 21 months of imprisonment.

According to the information provided to the Court, the defendant was an insurance agent for Transamerica Worksite Marketing, a division of Transamerica Life Insurance Company. Beginning in October 2004, the defendant claimed that a fictitious entity called the Washington Area General Hospital Alliance existed in Washington, D.C., and was comprised of health care facilities with thousands of employees collectively, including Washington Hospital Center, National Children's Medical Center, and Fresenius Medical Care (an operator of outpatient dialysis clinics). He also falsely represented that the hospital alliance wanted to obtain group life insurance products offered by Transamerica, which would make the defendant eligible for sales commissions. The defendant provided false documentation to Transamerica to convince the company that he should receive an advance on his expected commissions. Contrary to his representations, the defendant knew that the hospital alliance did not exist, and that the medical facilities that purportedly belonged to the alliance had not agreed to obtain life insurance from him. In November 2004, Transamerica paid the defendant \$160,000 as an advance on his expected commissions, based upon his false representations.

The information provided to the Court also established that the defendant participated in a second fraud against Transamerica between December 2004 and February 2006. Specifically, the defendant used his position as a Transamerica agent to help an associate obtain a false life insurance policy in the name of a relative. After the relative's death in July 2005, the defendant helped to generate false documentation to convince Transamerica that the deceased relative had worked for a company with a Transamerica group life insurance policy, and was thereby eligible

for insurance. However, the defendant knew that this information was false, and that the policy had been obtained under false pretenses. Based on false representations, Transamerica paid the defendant's associate more than \$33,000 in insurance benefits.

In announcing today's guilty plea, U.S. Attorney Machen commended the work of Special Agents of the Federal Bureau of Investigation, Special Agent Anne Thomas of the U.S. Department of Labor Office of the Inspector General's Office of Labor Racketeering and Fraud Investigations, and Senior Financial Fraud Investigator Carl Ditchey of the D.C. Department of Insurance, Securities & Banking, for their work investigating the charges. He also commended the staff the U.S. Attorney's Office, including Paralegal Specialists Tasha Harris, Maggie McCabe, and Mary Treanor, and Assistant U.S. Attorney Jonathan Haray, who is prosecuting the case.

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